

# Public Policy Position

## Health Technology Assessment

In many countries around the world, the growth in health care spending has outpaced general economic growth. This trend has pushed payers to use Health Technology Assessment (HTA) as a tool for evaluating the clinical effectiveness, cost-effectiveness, and the broader systemic impact of medicines, vaccines and other health technologies. It is also being used as a tool for making coverage and reimbursement decisions. Merck supports health technology assessment (HTA) conducted using sound scientific methods and appropriately applied for the purpose of improving health outcomes for patients and efficiencies in the health care system overall. Merck believes that HTA can play a valuable role in the dissemination of new medical and scientific information and help improve quality of care on an ongoing basis. Merck supports the following principles:

- HTA should be conducted in a manner that is scientifically sound, rigorous, predictable, replicable, transparent, inclusive and fair.
- HTA should be applied to a broad range of interventions to best impact the efficiency and quality of the health care system overall.
- HTA should focus on diseases and conditions that impose a high clinical and economic burden on the health care system and society and those technologies that provide the greatest opportunity for health and health care system improvement.
- HTA should be applied and adhered to in a uniform and consistent manner; where the outcome of an evaluation is positive, payers, whether at the national or local level, should commit funding to encourage implementation.
- To the extent governments conduct or sponsor HTA, they should be done by an entity independent from the regulatory entity that determines safety and efficacy for licensure, and independent as well from those making reimbursement or coverage decisions.
- Value should be defined broadly since clinical (e.g., morbidity, mortality, etc.), economic (e.g., cost-effectiveness, budget impact, etc.), and social value (e.g., quality of life, preference, satisfaction, etc.), are all important.
- HTA should reflect and balance input from key stakeholders including payers, patients, providers, employers, and industry.
- New technologies should be evaluated in the context of the benefits and harms of existing treatment options and HTA should assess the full range of effects/benefits.
- HTA should not unnecessarily hinder the introduction of new technologies to the market.
- Use of HTA should be compatible with reimbursement or coverage policies that couple early access to approved technologies with arrangements for the consideration of additional data at a later time if/when such data become available.
- The HTA process should acknowledge methodological limitations and should evolve as new methodologies are introduced.
- The HTA process should be accessible, transparent and timely for stakeholders and allow for the appeal of any coverage or reimbursement policies that flow from the HTA.
- HTA should recognize both incremental and breakthrough innovation. This should be reflected in reimbursement or coverage levels that are commensurate with the relative therapeutic benefits and costs of the innovation.

- HTA based policies, which are necessarily derived from group data, should consider the diversity of individual patient response.
- HTA should be applied at a level (e.g., health plan, state, fund holder, country) relevant to the particular health care system. However, harmonization across jurisdictions over the long term would make sense in order to avoid duplicative work just to satisfy a particular body

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*Merck and Schering-Plough are now one company. We are working to update our public policy position statements to reflect our new global organization.*